

KATHLEEN BABINEAUX BLANCO GOVERNOR

Caming Control Board

HILLARY J. CRAIN CHAIRMAN

## NOTICE OF DECISION

IN RE; MINK P., L.L.C. D/B/A PARLAY'S NO. VP3601112150

TO: Jill Gautreaux, Esq.

One Lakeway Center

3900 N. Causeway, Ste. 605

Metairie, LA 70002

Michael Daniels, AAG

1885 North 3rd Street, Ste. 500

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CERTIFIED MAIL: 7003 1680 0000 7626 8291

RETURN RECEIPT REQUESTED

CERTIFIED MAIL: 7003 1680 0000 7626 R307

RETURN RECEIPT REQUESTED

Lt. Jules Pinero, LSP

7919 Independence Boulevard

Baton Rouge, LA 70806

CERTIFIED MAIL: 7003 1680 0000 7626 8314

RETURN RECEIPT REQUESTED

NOTICE IS HEREBY given that on March 17, 2004, the decision of the Louisiana Gaming Control Board was signed in the above entitled matter. (SEE COPY OF THE ENCLOSED DECISION)

An appeal from any decision of the Board shall be filed within ten (10) days of notice of the decision in the Nineteenth Judicial District Court and shall be reviewed solely on the record as provided by La. R.S. 27:26.

Louisiana Gaming Control Board, Baton Rouge, Louisiana this

🕯 day of March, 2004.

Gerailyn A. Coleman

Appeal Docket Clerk

NOTIFIED:

Jill Gautreaux, Esq. Michael Daniels, AAG

Lt. Jules Pinero, LSP, Video Gaming Division

9100 Bluebonnet Centre, Suite 500, Baton Rouge, LA 70809 Phone: (225) 295-8450 Pax: (225) 295-8479



KATHLEEN BABINEAUX BLANCO GOVERNOR

Caming Control Board

HILLARY J. CRAIN CHAIRMAN

## **DECISION OF THE** LOUISIANA GAMING CONTROL BOARD

IN RE: MINK P., L.L.C. D/B/A PARLAY'S NO. VP3601112150

This is an appeal from the decision of the Hearing Officer for the Louisiana Gaming Control Board ordering denial of the video gaming license application of Mink P., L.L.C. d/b/a Parlay's (Parlay's).

Ms. Chong Downing is the sole member of the applicant. She is also the sole owner of two other businesses which are licensed for the operation of video poker, 3551 18th Street Corporation d/b/a Illusions (Illusions) and Code, Inc. d/b/a She-She's (She-She's). On three occasions the Office of Alcohol and Tobacco Control issued Notices of Violation to She-She's for violating numerous provisions of Title 26° of the Louisiana Revised Statutes, entitled "Liquors-Alcoholic Beverages."

ATC Violation No. 14191 was issued August 17, 2001, the plea agreement was entered and the Commissioner's Findings and Order was rendered November 28, 2001. ATC Violation Nos. 52146 and 52147 were issued December 19, 2001. ATC violation No. 52148 was issued December 21, 2001, the plea agreement was entered and the Commissioner's Findings and Order was rendered April 24, 2002, ATC Violation No. 54569 was issued November 21, 2002, the administrative hearing was held May 14, 2003 and the Commissioner's Findings and Order was rendered June 24, 2003.

La. R.S. 26:99 provides in pertinent part:

A. No person bolding a rotall dealer's permit and no agent, associate, employee, representative, or servent of any such person shall do or permit any of the following acts to be done on or about the licensed premises:

<sup>(4)</sup> Permit any prostitute to frequent the licensed premises or to solicit patrons for prostitution on the licensed premises.

<sup>(9)</sup> Fail to keep the premises clean and sanitary.

- (13) Permit any disturbance of the peace or obscenity, or any lewel, immoral, or improper extents imment, conduct, or practices on the licensed premises.
- B. The following acts or conduct on licensed premises are deemed to constitute lewd, immoral, or improper entertainment as prohibited by this Section and therefore no on-sale permit for beverages of high alcoholic content shall be held at any premises where such conduct or acts are permitted:
- (1) Employment or use of any person in the sale or service of alcoholic beverages in or upon the licensed premises while such person is unclothed or in such attire, costume, or clothing as to expose to view any portion of the female breast below the top of the arcola or any portion of the public hair, and, cleft of the buttocks, valva, or genitals.
- (2) Employment or use of the services of any hostess or other person to mingle with the patrons while such hostess or other person is unclothed or in such attire, costume, or clothing as described in Paragraph (1) of this Subsection.
- (3) Encouraging or permitting any person on the licensed premises to touch, caress or fondle the breasts, buttocks, axus, or genitals of any other person.
- (4) Permitting any employee or person to wear or use any device or covering, exposed to view, which stimulates the breast, genitals, anus, public heir, or any portion thereof.
- C. Acts or conduct on licensed premises in violation of this Section are deemed to constitute lewe, improper improper entertainment as prohibited by this Section and therefore no on-sale permit for beverages of high alcoholic content shall be held at any premises where such conduct and acts are permitted.
- D. Live entertainment is permitted on any licensed premises, except that no permittee shall permit any person to perform acts of or acts which simulate:
- (1) Sexual intercourse, masturbation, sodomy, bestiality, oral copulation, flagellation, or any sexual acts which are prohibited by law.
- (2) The touching, caressing or foodling of the breast, buttocks, anus, or genitals.
- (3) The display of pubic hairs, amus, vulva, genitals, or nipple of the female breast.
- E. Subject to the provisions of Subsection D of this Section, entertainers whose breasts or buttocks are exposed to view shall perform only upon a stage at least eighteen inches above the immediate floor level and removed at least three feet from the nearest patron.

## La. R.S. 26:286 provides in pertinent part:

- A. No person holding a cetail dealer's permit and no servant, agent, or employee of the permittee shall do any of the following acts upon the licensed premises:
- (4) Permit any prostitute to frequent the licensed premises, or to solicit patrons for prostitution on the licensed premises.
- (13) Permit any disturbance of the peace or obscenity, or any lewd, immoral, or improper entertainment, conduct, or practices on the licensed premises.
- B. The following acts or conduct on licensed premises are deemed to constitute lewd, immoral, or improper entertainment as prohibited by this Section and therefore no on-sale permit for beverages of low alcoholic content shall be held at any premises where such conduct or acts are permitted:
- (1) Employment or use of any person in the sale or service of alcoholic beverages in or upon the licensed premises while such person is unclothed or in such attire, consume, or clothing as to expose to view any portion of the female

She-She's entered into a plea agreement to ATC Violation No. 14191 (State Exhibit No. 20) agreeing to the payment of a \$3000.00 fine and acknowledging the commission of the following violations: La.R.S.26:90(A)(13) and 286(A)(13) - second offense, four counts; La.R.S.26:90(B)(3) and 286(B)(3) - four counts; La.R.S.26:90(D)(2) and 286(D)(2) - four counts; La.R.S.26:90(D)(3) and 286(D)(3) - four counts and La.R.S.26:90(E) and 286(E) - four counts.

She-She's also entered into a plea agreement to ATC Violation Nos. 52146, 52147 and 52148 (State Exhibit No. 18), agreeing to a \$4,400.00 fine, a 3-day suspension and acknowledging the commission of the following violations: La.R.S.26:90(A)(13) and 286(A)(13) - second offense; La.R.S.26:90(B)(3) and 286(B)(3); La.R.S.26:90(A)(4) and 286(A)(4); La.R.S.26:90(D)(2) and 286(D)(2) - second offense; La.R.S.26:90(D)(2) and 286(D)(2) - second offense; La.R.S.26:90(E) and 286(E) - second offense; La.R.S.26:71.1 and 271.2; La.R.S.26:90(A)(9); L.A.C. 55:VII.305(A);

breast below the top of the areola or of any portion of the pubic bair, anns, cleft of the buttocks, vulva, or genitals.

<sup>(2)</sup> Employment or use of the services of any hostess or other person to mingle with the patrons while such hostess or other person is unclothed or in such attire, costume, or clothing as described in Paragraph (1) of this Subsection.

<sup>(3)</sup> Encouraging or permitting stry person on the licensed premises to touch, caresa, or foudle the breasts, buttocks, anus, or genitals of any other person.

C. Acts or conduct on licensed premises in violation of this Section are deemed to constitute lewd, immoral, or improper entertainment as prohibited by this Section and therefore no on-sale permit for beverages of low alcoholic content shall be held at any premises where such conduct and acts are permitted.

D. Live Entertainment is permitted on any licensed premises, except that no permittee shall permit any person to perform acts of or acts which simplate:

<sup>(1)</sup> Sexual intercourse, masturbation, sodomy, bestiality, oral copulation, flagellation, or any sexual acts which are prohibited by law.

<sup>(2)</sup> The touching, caressing, or fondling of the breast, buttocks, anus, or genitals.

<sup>(3)</sup> The displaying of he public hair, anus, vulva, genitals, or nipple of the female breast.

E. Subject to the provisions of Subparagraph (b)(i) of Subsection D of this Section, entertainers whose breasts or buttooks are exposed to view shall perform only upon a stage at least eighteen inches above the immediate floor level and removed at least three feet from the nearest patron.

La.R.S.26:90(D)(1) and 286(D)(1); La.R.S.26:90(C) and 286(C); La.R.S.26:912(b) and La.R.S.26:91(A)(1) and 287(A)(8).

After an administrative hearing regarding ATC Violation No. 54569 (State Exhibit No. 14), the Commissioner of the Office of Alcohol and Tobacco Control rendered a decision finding She-She's guilty of the following violations: La.R.S.26:90(A)(13) and 286(A)(13) - second offense, six counts; La.R.S.26:90(B)(1) and 286(B)(1)-six counts; La.R.S. 26:90(B)(2) and 286(B)(2)-second offense, six counts; La.R.S.26:90(D)(1) and 286(D)(1) - second offense, six counts; La.R.S.26:90(D)(1) and 286(D)(1) - second offense, six counts; La.R.S.26:90(D)(2) - third offense, six counts; La.R.S.26:90(D)(3) and 286(D)(3) and La.R.S.26:90(A)(4) and 286(A)(4). The Commissioner imposed a \$6000.00 penalty and a 6-day suspension.

Not only should this Board consider Ms. Downing's failure to notify the Division of the issuance of the notices of violation and the administrative penalties imposed against She-She's, we should also consider the nature of the violations, the number of counts per violation and the fact that some of the violations were a second offense.

The record also reveals that on several occasions both She-She's and Illusions were the subject of police investigations in which criminal charges were brought against employees of the establishments. In one instance Ms. Downing failed to notify the Division that on March 23, 2002, the Jefferson Parish Sheriff's Office conducted a vice raid at Illusions, arrested approximately 5 employees on the premises and charged them with lewd conduct. At least 2 of those employees subsequently pled guilty to disturbing the peace. One of the persons arrested was a designated representative of Illusions. The Division was not apprized of that fact.

In enacting the Louisiana Gaming Control Law, the legislature found and declared it to be the public policy of the state that the development of a controlled gaming industry is important to promote the economic development of the state. La. R.S.27:2(A). The success and growth of gaming is dependent upon public confidence and trust that video gaming activities are conducted honestly and are free from criminal and corruptive elements. In furtherance of this policy, the state has a legitimate interest in strictly regulating all persons, locations, practices, associations, and activities related to the operation of licensed and qualified gaming establishments. La. R.S. 27:306(A).

Ms. Downing has demonstrated both her unwillingness to conduct business in compliance with the video gaming laws and regulations and her failure to meet the requirements of La. R.S. 27:310(B) and (C). Accordingly, for the reasons stated above and for the reasons cited by the Hearing Officer, we conclude that the decision of the Hearing Officer ordering denial of the video gaming license application should be affirmed.

## ORDER

This matter having been considered by the Louisiana Garning Control Board in open meeting of March 15, 2004:

IT IS ORDERED THAT the Hearing Officer's decision is AFFIRMED and the video garning license is DENIED.

THUS DONE AND SIGNED this the \_\_\_\_\_\_ day of March, 2004.

LOUISIANA GAMING CONTROL BOARD

LOUISIANA GAMING CONTROL BOARD  $_{
m BY}$ :

1 HEREBY CERTIFY THAT A CERTIFIED

COPY HAS BEEN MAILED OR SERVED ON

OF MOUGH

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YJ. CRAIN, CHAIRMA